



STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 48/46

A PROGRESS REPORT ON CANADIAN TRADE

An address by Right Hon. C. D. Howe,
Minister of Trade and Commerce, on
Manufacturers' Day, at the Canadian
National Exhibition, Toronto,
September 4, 1948.

I am glad indeed to join with those present in giving recognition to Manufacturers' Day at the Canadian National Exhibition. I last attended a similar occasion in 1941, and on that day also opened a small display of Canadian munitions of war. At that time, Canada's industrial expansion was just getting under way. It has been continuing at an accelerating rate ever since. During the war, Canadian investment in plant and in equipment approximated 4.5 billion dollars. I am happy to say that over two-thirds of that investment has now been converted to peacetime production, most of it in the field of manufacture. Another 2 billion dollars was spent in the two years following the end of the war, for expansion and modernization. Out of this year's capital investment programme of well over 3 billion dollars, about one-third is in manufacturing industries. Compared with pre-war, we have doubled our output of manufacturing production, which is now running above wartime peaks. Last year, for the first time in peace, employment, in the manufacturing industries alone, exceeded employment in agriculture.

There has been a tremendous increase in our productive capacity. This has been most notable in our major pre-war manufacturing industries -- motor vehicles, agricultural implements, railway equipment, textiles, and a wide variety of durable consumer and producer goods. Other pre-war industries, then of minor significance, have been expanded out of all proportion to pre-war capacity; examples being aluminum, chemicals, plastics, aircraft and machine tools. Entirely new industries have been created, of which synthetic rubber is an outstanding example. Although our primary iron and steel industry was expanded by 60% during the war, and its production was doubled, primary steel is now our major bottleneck on the materials side, as it is in all other countries.

This expansion has resulted in a great increase in Canada's exports. Compared with pre-war, our exports last year had about trebled, having increased from 900 million dollars in 1939 to almost 2,800 million dollars in 1947. We are now the third exporting country in the world. Canada's \$220 per capita of exports last year was more than double the per capita of the United States and of the United Kingdom. Before the war, raw and semi-processed products of our farms, fisheries, forests and mines accounted for about 52% of total exports. In 1947, manufactured products had first place and accounted for a little less than 60% of the total. Exports of fully manufactured goods, excluding agricultural, forest and mineral products, registered the greatest gain, having increased from 200 million dollars pre-war to about 690 million dollars in 1947.